



Housing Provisions of SB 375

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Law Seeks to Advance Long-Advocated Planning Principles



- Adequate housing supply
- Compact development patterns
- Infill development
- Affordable housing
- Mixed use development
- Transit-oriented development
- Higher densities
- Jobs-housing balance

... which were existing features of State Housing Element Law



Regional Housing Needs Allocations objectives

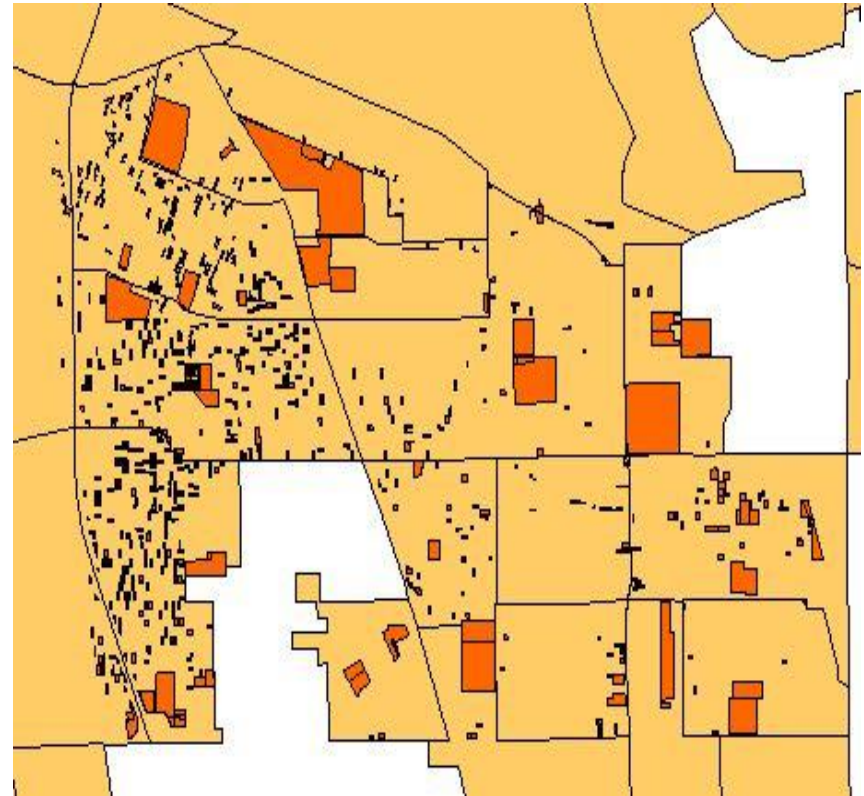
- Increasing housing supply & mix of housing types, tenure & affordability
- Promoting infill development & socioeconomic equity, protection of environmental & agricultural resources, & encouraging efficient development patterns
- Promoting improved intraregional jobs-housing relationship
- Balancing disproportionate household income distributions:
(overconcentration considerations)

COG Allocates RHNA - Housing Element

Land Inventory must accommodate RHNA

Local Government Decides Where & How

- **Must identify current & proposed sites for residential development within planning period, which can be:**
 - **Undeveloped**
 - **Redevelopment or infill**
 - **Proposed for annexation**
 - **Mixed uses, Transit Oriented Development**
 - **Preservation with committed assistance**





So What's New or Different?

- **Integration of RHNA and RTP planning?**

Linkage not new, but new procedural complexity in synchronizing schedules, whereby RTP adoption dates drive RHNA and housing element procedural schedule and due dates

- **CEQA?** *Additional options - reduced EIR components, another exemption*

- **Rezoning deadlines for housing element?**

Completion of rezoning not new, but timing now statutorily absolute

- **Financial Incentives?** *Potential transportation investments*

- **State agency review?**

ARB reviews MPO methodology & makes determination re: GHG assumptions of RTP's Sustainable Community Strategy (SCS) or of an Alternative Planning Strategy (APS) re: GHG Target; HCD's review requirements unchanged



SB 375's Housing Provisions

Date synchronization of the regional housing needs allocation (RHNA) process for housing element updates with updating of regional transportation plans (RTPs); RHNA to be consistent w/SCS of RTP

- **Revised basis for schedules for housing element updates, with longer housing element planning periods for MPOs in non-attainment areas (every 8 for non-attainment MPOs vs. every 5 yrs.)**
- **Date-certain statutory deadlines for housing element rezoning programs to be completed (3 yrs.), with sanctions for noncompliance**
- **Additional environmental review options for transit priority projects**
- **Identification of areas to house all economic segments of population for both RHNA and over RTP planning period, identification of residential uses and densities**
- **The State housing goals, including housing elements; public hearing for the housing element progress report required by GC 65400**



RHNA Plans & RTPs Differ

- RHNA plans are short-term (approx. 10 yr allocation period); RTPs for at least 25 yrs., as long as 45 yrs.
- RHNA plans project housing need; are not forecasts of building activity
- **Local governments** are individually accountable for demonstrating capacity to accommodate RHNA, while **MPOs** are accountable for RTPs – which lack authority to directly compel local governments to change land use policies

RTP & RHNA Processes



RTP w/SCS (by MPOs)

- ARB establishes GHG target
- MPO Updates Growth forecast
- Draft methodology for GHG reduction to ARB
- Local gov't. workshops
- FWHA Conformity consultation
- Draft SCS/Draft EIR
- MPO certifies EIR/Adopts RTP
- RTP submitted to FHWA re: conformity & ARB re: GHG target*

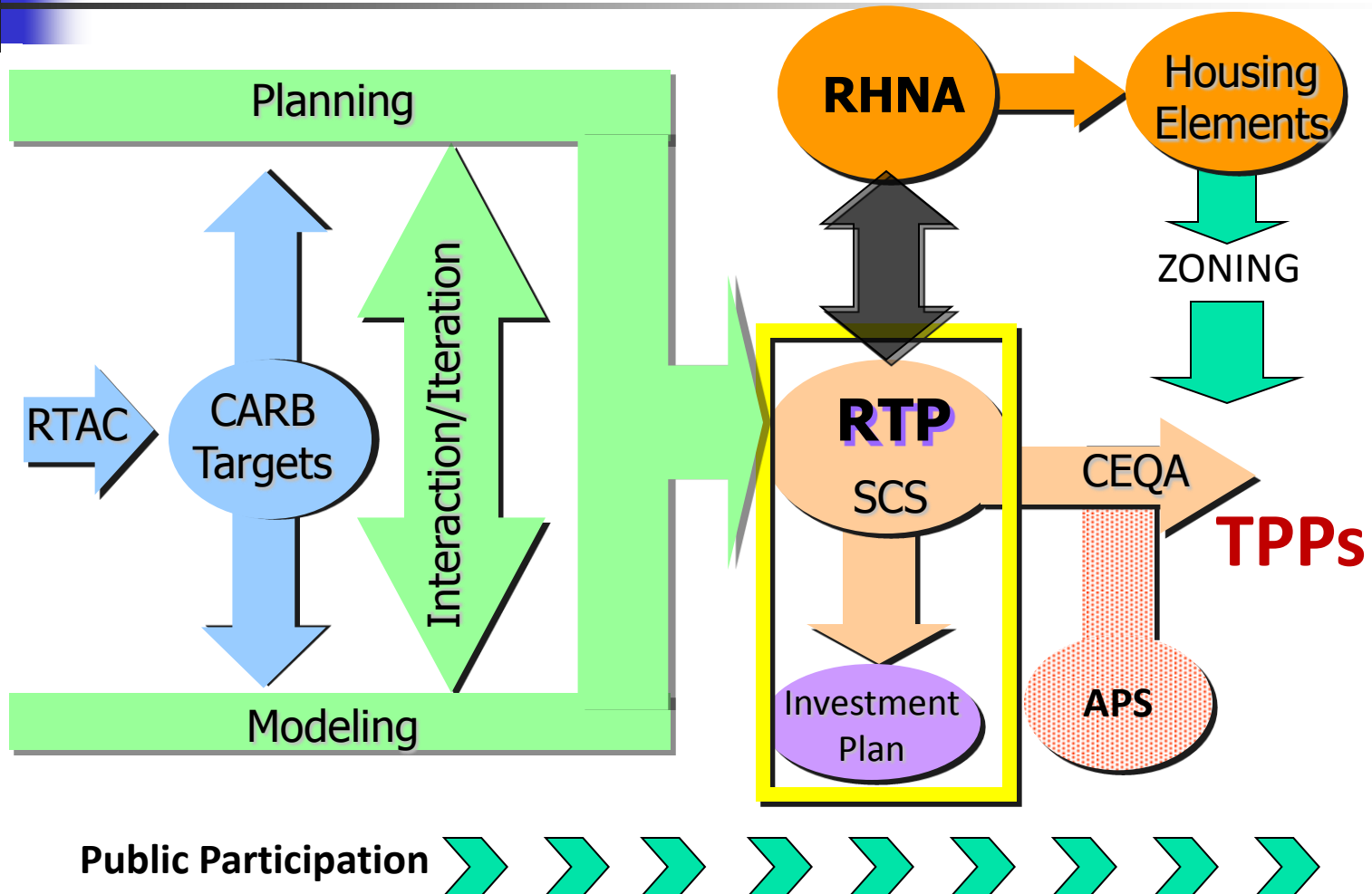
RHNA (by COGs)

- Regional Housing Need Determination by HCD
- Methodology for RHNA Distribution w/local gov't. input
- Draft Allocations & Revisions of RHNA Plan
- Local Appeals re: distribution of Draft RHNA Plan
- COG adopts RHNA Plan consistent w/SCS of RTP
- HCD Review/Approval
- RHNAs adopted in housing elements

* Alternative Planning Strategy (APS) prepared if SCS > GHG target

SB 375 Process

2009 2010 2011 2012 2013 2014...





Integrating Transportation & Land Use Planning

Integrating the updates of RTPs with updates of the regional housing need allocations (RHNAs)/housing elements via a Sustainable Community Strategy (SCS)

SCS strategies – *can include one or more of the following:*

- Alternative Land-Use development patterns
- Transportation Network planning
- Transportation Demand Management strategies
- Transportation System Management strategies



Three New CEQA Options for Projects Consistent with SCS

1. For Transit Priority Projects (TPPs)*:
 - a) Sustainable Communities Environmental Assessment & Limited EIR
(*Excludes cumulative and growth inducing impact analysis; standard of review is "substantial evidence" rather than "fair argument"*)
 - or
 - b) Statutory Exemption
(*similar to existing infill exemption w/additional criteria*)
2. Limited Analysis for "Mixed Use Residential Projects" (MURP's)

TPP criteria:

- \geq 50% residential FAR of .75
- At least 20 DUA
- Located within 1/2 mile of either a major transit stop as defined or
- A high quality transit corridor included in the RTP, service as defined



Sustainable Communities Strategy (SCS) of RTP

- Sets forth a forecasted development pattern to achieve the regional GHG target if feasible, identifying land uses, including residential densities, within region
- Identifies areas sufficient to house all of the population including all economic segments & must accommodate RHNA & State housing goals, including housing element updates
- Reliant on housing element zoning to achieve residential land use changes



SCS Role and Limitations

- Express statutory declaration that general plans and zoning are not required to be consistent with SCS
- SCS is required to identify only the “general location” of uses, residential densities, and building intensities within the region
- However, the additional CEQA provisions are available only for projects consistent with the general use designation, density, building intensity and applicable policies specified for the project area in an SCS
- Thus lead agency for a project determines whether project is consistent with the SCS, but must do so on the basis of any policies adopted by the MPO in the SCS



Risks of Development Concentration

- Gentrification
can
- Displace transit-dependent or core riders
(many of whom occupy existing housing along transit lines)
with car-owning households less likely to regularly use transit
- These include low income, renter, and non-white households



Other Limitations . . .

- All housing needs cannot be met predominantly with infill sites, “fair share” distribution of housing will not all be served by competitive transit
- SCS’ w/less developable land > higher land values, driving . . .
 - Increase in housing prices outpacing transportation savings
 - High development costs, making affordable housing development even more difficult
 - Displacement/gentrification pressures
- Incentives for accommodating the housing necessary, e.g. overcoming development constraints, CEQA streamlining, etc.
- Important that feasibility of housing is not undermined by RTP assumptions, CEQA mitigation and other mitigation requirements, regulations & fees



Lawyers Take Note ...

In response to the CBIA's assertion that higher and less achievable targets are prone to CEQA challenges, Tom Adams, of the California League of Conservation Voters, who was instrumental in drafting SB 375, responded:

"It was scrubbed of litigation opportunities."



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